



# **DMHA Quarterly Financial Review**



**June 2008**

# THE INDIANAPOLIS STAR

THURSDAY, JULY 24, 2008 ★ "Where the spirit of the Lord is, there is liberty" II COR. 3:17 ★ 50 CENTS ★ CITY FINAL

## EDITORIAL

# Give state leaders credit for all-time high rating

**S**ixteen legislators and then-Gov. Joe Kernan had churned through nearly every budget gimmick at their disposal by the fall of 2004.

Payments to public schools, universities and local governments — \$715 million worth — had been delayed indefinitely. A one-time dose of \$250 million in federal aid, thrown into the budget gap, already had been expended. The state also had dipped into Teachers Retirement Fund reserves, pulling out \$380 million to meet current obligations.

Yet, despite running through maneuvers that bordered on desperation, the state still faced a budget shortfall of more than \$600 million. Analysts also were pessimistic about the state's ability to grow its way out of the budget mess because of an old-school economy, dependent on a traditional manufacturing sector long in decline.

The fiscal climate of four years ago needs to be kept in mind when assessing the significance of Standard & Poor's decision this week to award a first-ever AAA bond rating to Indiana.

**Our position:  
State rewarded for  
taking reasonable  
chances to bring budget  
under control.**

Yes, the savings to taxpayers that will come with the higher rating — including \$850,000 a year on Lucas Oil Stadium and the convention center expansion — are worth celebrating.

But perhaps even more important is the fact that a respected independent firm has validated several difficult, controversial decisions that Gov. Mitch Daniels and the General Assembly made to bring Indiana's budget back into balance.

One of those decisions involved capping annual growth in the Medicaid budget at 5 percent (both projections and past experience called for 10 percent

growth). Critics said it couldn't be done at least not without inflicting undue pain on Indiana's poorest and sickest residents. The cap, however, worked, bringing under control a line item that would have otherwise wrecked the budget. In the interim, the state created a promising health insurance program for low-income Hoosiers that is funded through a cigarette tax increase.

The lease of the Indiana Toll Road continues to draw fire, but the \$3.8 billion in capital leveraged through the deal has enabled the state to make much-needed improvements in infrastructure while handing off management of an underperforming asset.

In announcing Indiana's higher bond rating, Standard & Poor's noted that the state's economy now is more diversified than in past years. That's not by accident. The state, starting in the O'Bannon administration, began pushing growth in the life sciences, logistics, advanced manufacturing and high-tech sectors.

Bottom line? Indiana's leaders took reasonable chances, making hard and sometimes unpopular choices. Now, all Hoosiers are set to reap the rewards.

## Capping Annual Growth in Medicaid to 5%

"Critics said it couldn't be done, at least not without inflicting undue pain on Indiana's poorest and sickest residents.

The cap, however, worked, bringing under control a line item that would have otherwise wrecked the budget. In the interim, the state created a promising health insurance program for low-income Hoosiers that is funded through a cigarette tax increase.

# WALL STREET

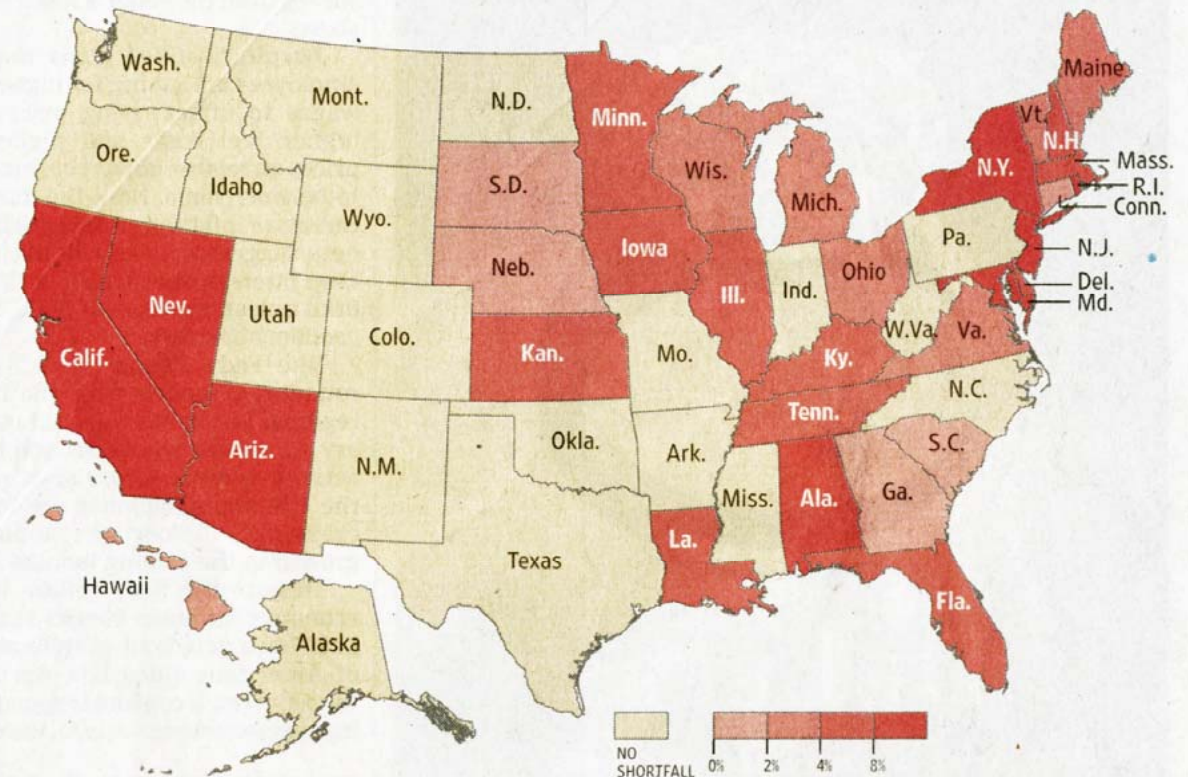
THURSDAY, JULY 24, 2008 - VOL. CCLII NO

## States Slammed by Tax Shortfalls

BY CONOR DOUGHERTY,  
AMY MERRICK  
AND ANTON TROIANOVSKI

### Strapped in America

Size of shortfall faced by states as they prepared budgets for the fiscal year that began July 1.



Note: Fiscal year ends June 2009

Source: National Conference of State Legislatures

# Division of Mental Health & Addictions

**June-08**

**Numbers Illustrated in Thousands**

## Expenditures

### Medicaid

Inpatient Psychiatric  
Mental Health Rehabilitation  
Other Mental Health Services  
PRTF Facilities  
PRTF Grant  
SED Waiver  
PCCM Admin Fees  
State Plan Services (PRTF and SED Only)

### **Total - Medicaid**

### Non-Medicaid

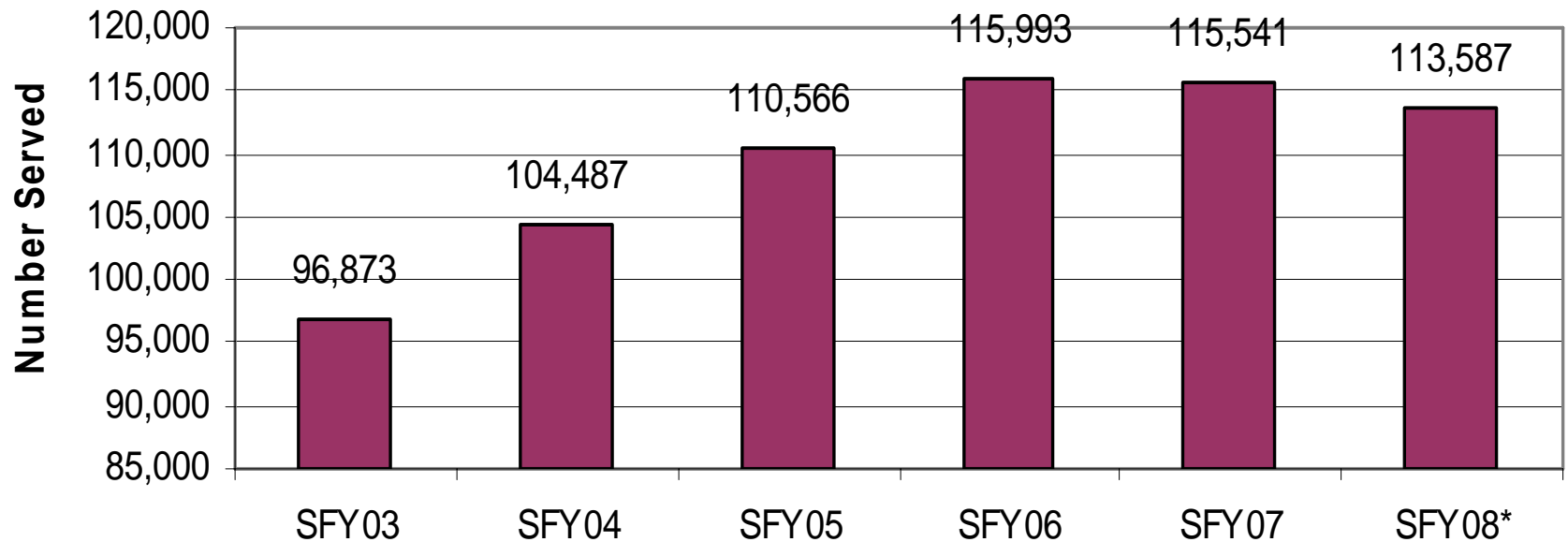
DMHA Seriously Mentally Ill  
Substance Abuse Treatment  
Seriously Emotionally Disturbed Children  
Substance Abuse Prevention  
DMHA Administration  
Gambler's Assistance Program  
Crisis Counseling and Emergency Preparedness Program  
Mental Health Funds Recovery Administration  
Mental Health Transformation  
Logansport State Hospital  
Richmond State Hospital  
Madison State Hospital  
Evansville State Hospital  
Larue Carter Memorial Hospital  
Evansville Psychiatric Children's Center

### **Total - Non-Medicaid**

### **Total - Expense**

<i>SFY 2008 Year To Date</i>			<i>SFY 2009</i>
Actual	Budget		Budget
30,458	31,763	1,305	34,065
269,330	291,710	22,380	284,342
24,754	27,136	2,381	28,880
35,187	34,105	(1,082)	34,482
45	1,356	1,311	5,397
7	2	(5)	0
4	4	(1)	35
2,076	1,765	(312)	2,697
<b>361,862</b>	<b>387,840</b>	<b>25,978</b>	<b>389,898</b>
113,183	115,279	2,095	113,613
36,519	37,357	839	38,040
19,528	19,936	408	19,776
9,796	10,834	1,039	12,956
4,248	5,312	1,063	4,907
1,446	3,269	1,823	2,760
53	901	848	1,103
47,435	31,317	(16,119)	37,405
585	662	77	721
52,887	49,835	(3,051)	56,223
38,534	39,124	591	41,628
29,775	30,411	636	31,631
27,688	28,571	882	30,361
28,030	27,514	(515)	29,610
3,953	3,915	(39)	4,539
<b>413,660</b>	<b>404,236</b>	<b>(9,425)</b>	<b>425,273</b>
<b>775,523</b>	<b>792,076</b>	<b>16,553</b>	<b>815,170</b>

# Hoosier Assurance Plan Numbers Served Annually

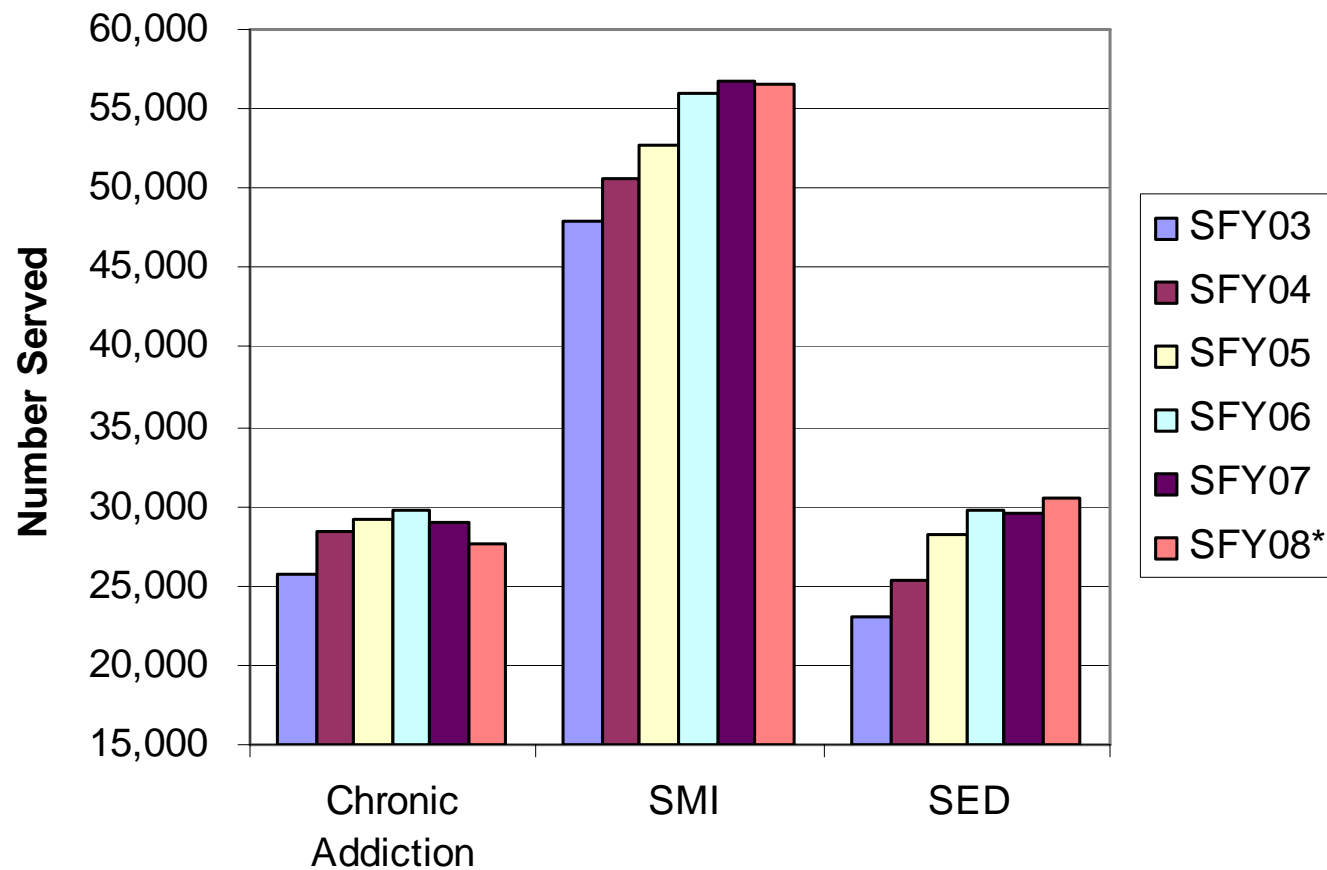


\* Data received as of June 30

Source: CSDS Database

# Hoosier Assurance Plan

## Numbers Served Annually by Population

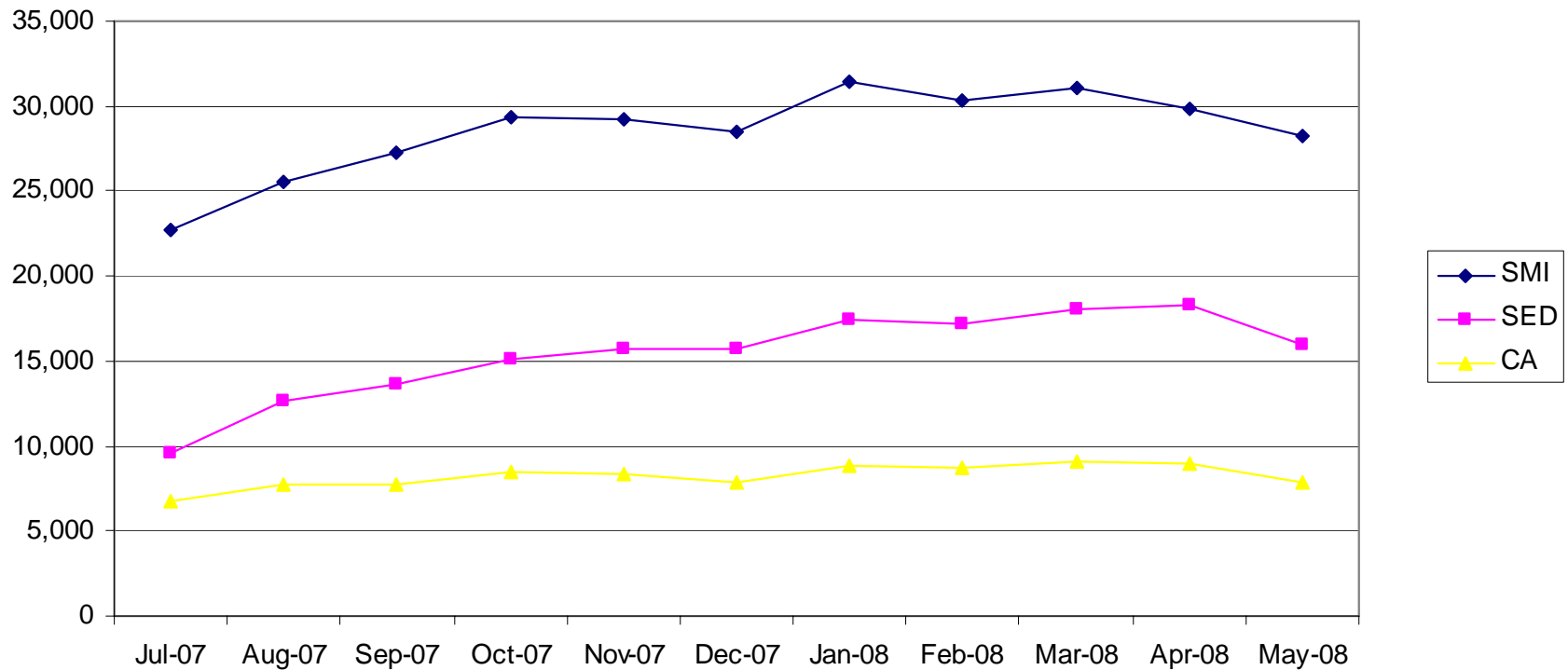


\* Data received as of June 30

Source: CSDS Database

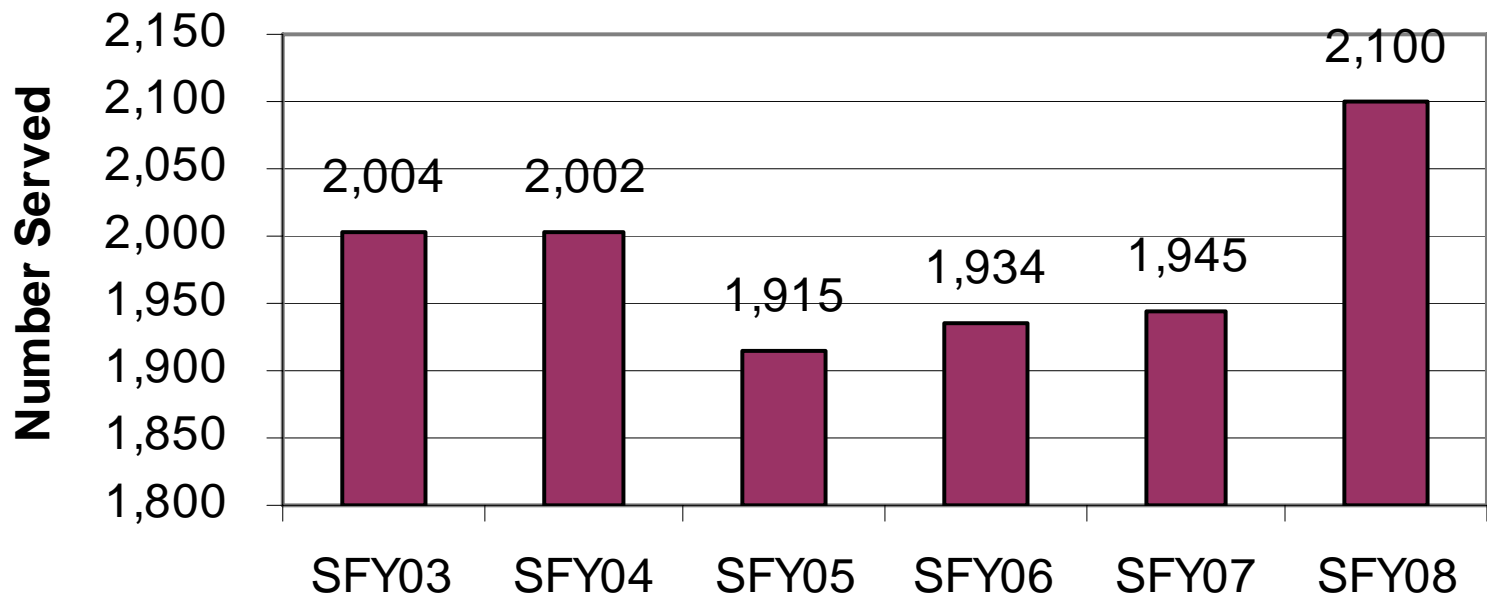
# Hoosier Assurance Plan

## Numbers Served Monthly by Population



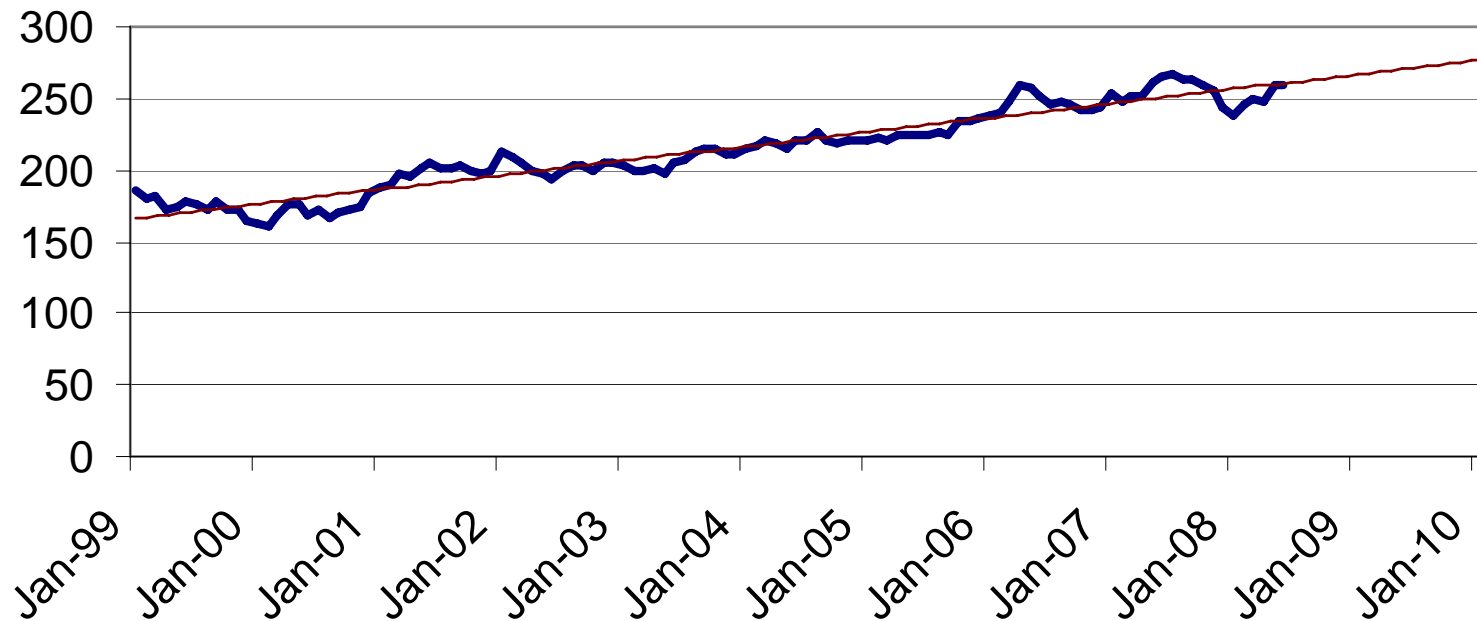
Source: CSDS Database

# State Hospitals Annual Enrollments



Source: AVATAR

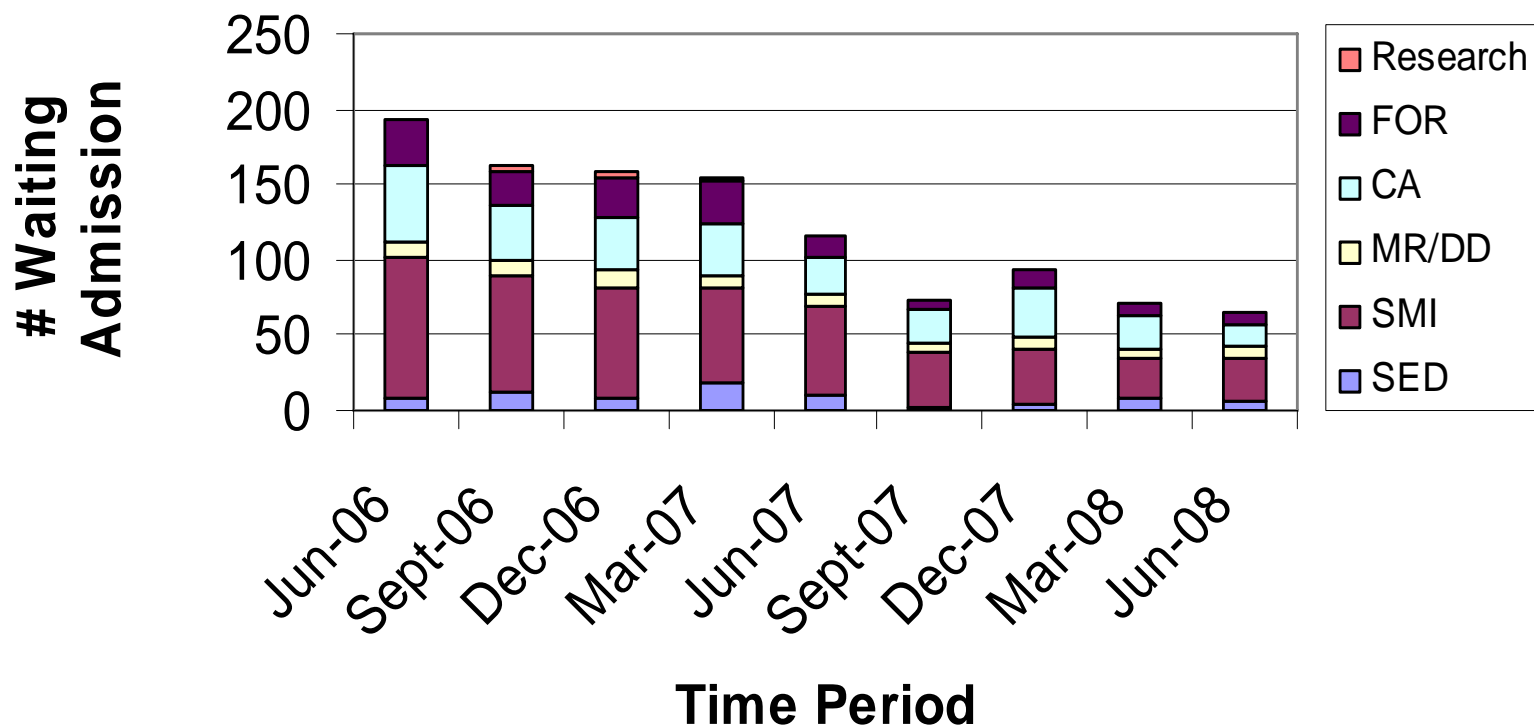
# State Hospitals Forensic Trending



Source: AVATAR

# State Hospitals

## Waiting for Admission



# State Hospitals

## Waiting for Admission June 30

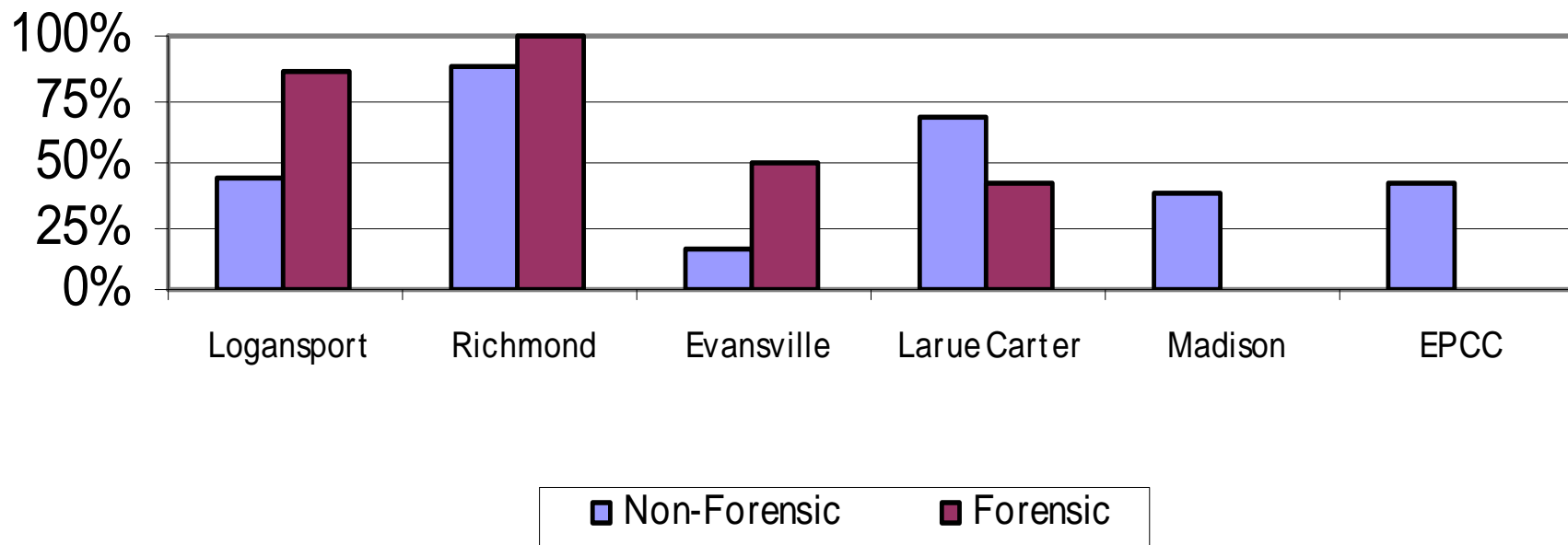
	SED	SMI	DD	CA	Forensic	Research	Total
<b>Logansport</b> 388 beds		8	1		10		<b>19</b>
<b>Richmond</b> 312 beds	0	1	6	13	0		<b>20</b>
<b>Evansville</b> 168 beds		10	1		0		<b>11</b>
<b>L. Carter</b> 159 beds	7	6	0		0	0	<b>13</b>
<b>Madison</b> 150 beds		3	0		0		<b>3</b>
<b>EPCC</b> 28 beds	0						<b>0</b>
<b>TOTAL</b>	<b>7</b>	<b>28</b>	<b>8</b>	<b>13</b>	<b>10</b>	<b>0</b>	<b>66</b>

# State Hospitals

## Recent Admissions

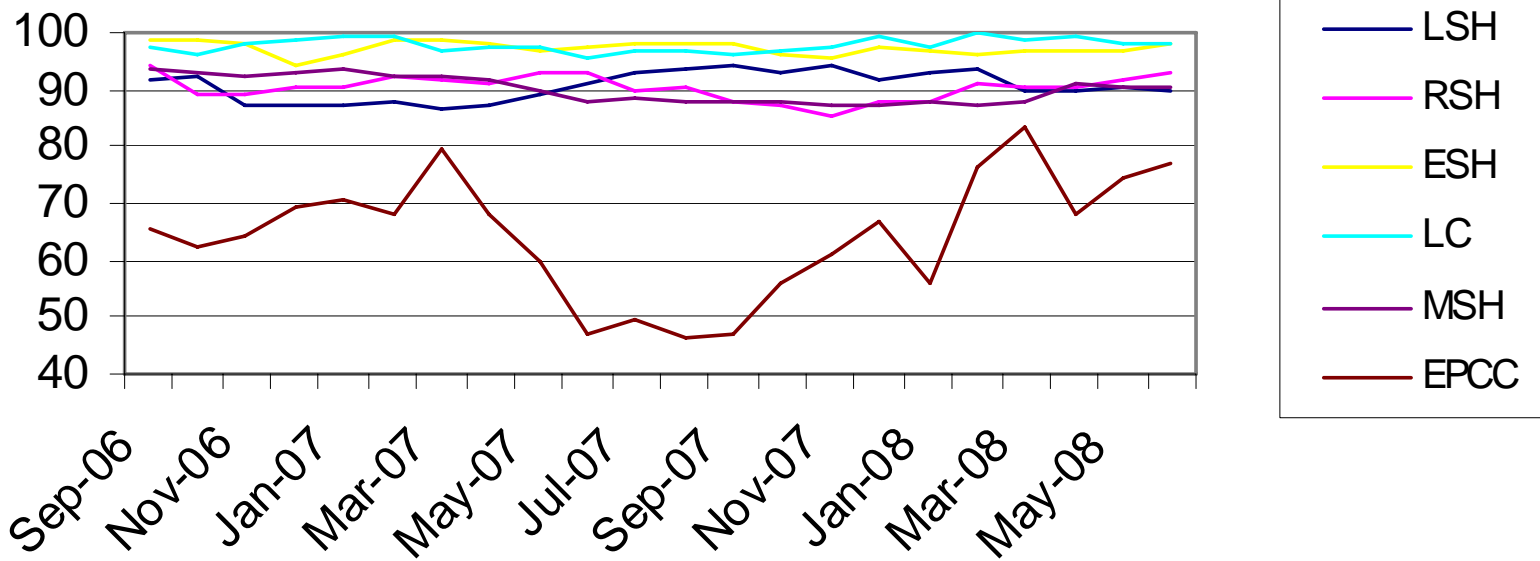
**Percent Discharged of Patients Admitted Between  
7/1/07 and 12/31/07**

**Total Discharges = 348 Total Admissions = 459**



Source: AVATAR

# State Hospitals Occupancy %



# State Hospitals

## Year to Date June 30

	FTE per Occupied Bed Actual	Cost per Day Actual	Budgeted Cost per Day	Occupancy % YTD with Leave Days	Occupancy % on 06/30/08
<b>Logansport 388 beds</b>	2.32	\$464	\$445	91.71%	89.95%
<b>Richmond 312 beds</b>	2.21	\$412	\$413	89.44%	93.28%
<b>Evansville 168 beds</b>	2.64	\$550	\$606	97.03%	98.02%
<b>L. Carter 159 beds</b>	2.55	\$551	\$600	97.98%	98.36%
<b>Madison 150 beds</b>	3.57	\$784	\$775	88.31%	90.49%
<b>EPCC 28 beds</b>	3.37	\$672	\$629	64.73%	77.02%

# State Hospitals

## Year to Date June 30

	<b>Cost Per Meal Actual</b>	<b>Ratio of Psychiatrists to Patients</b>	<b>Ratio of Psychiatrists to Beds</b>
<b>Logansport 388 beds</b>	\$4.28	1:35	1:39
<b>Richmond 312 beds</b>	\$6.72	1:32	1:35
<b>Evansville 168 beds</b>	\$7.97	1:33	1:34
<b>L. Carter 159 beds</b>	\$5.77	1:32	1:32
<b>Madison 150 beds</b>	\$8.28	1:27	1:30
<b>EPCC 28 beds</b>	\$4.32	1:21	1:28

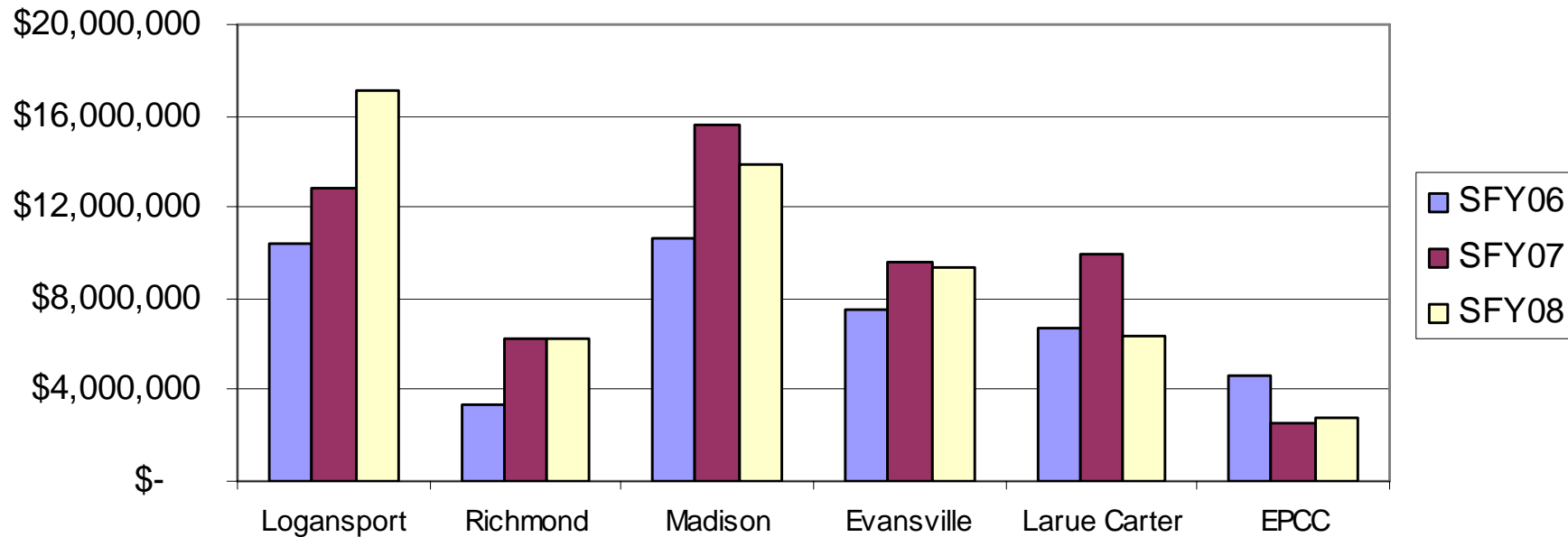
# State Hospitals

## Year to Date June 30

<b>Monthly Cost of Prescription Per Patient</b>	<b>Dually Diagnosed</b>	<b>Addictions</b>	<b>Geriatric</b>	<b>SMI</b>	<b>MR/DD</b>	<b>Adolescent /Children</b>
<b>Logansport 388 beds</b>			\$935.35	\$829.27	\$818.34	
<b>Richmond 312 beds</b>	\$776.73	\$222.53		\$1,161.81	\$1,202.00	\$647.72
<b>Evansville 168 beds</b>			\$1,030.63	\$1,042.24	\$1,140.33	
<b>L. Carter 159 beds</b>				\$1,028.11		\$912.17
<b>Madison 150 beds</b>			\$751.76	\$944.68	\$950.83	
<b>EPCC 28 beds</b>						\$562.95

# State Hospitals

## Patient Specific Revenue



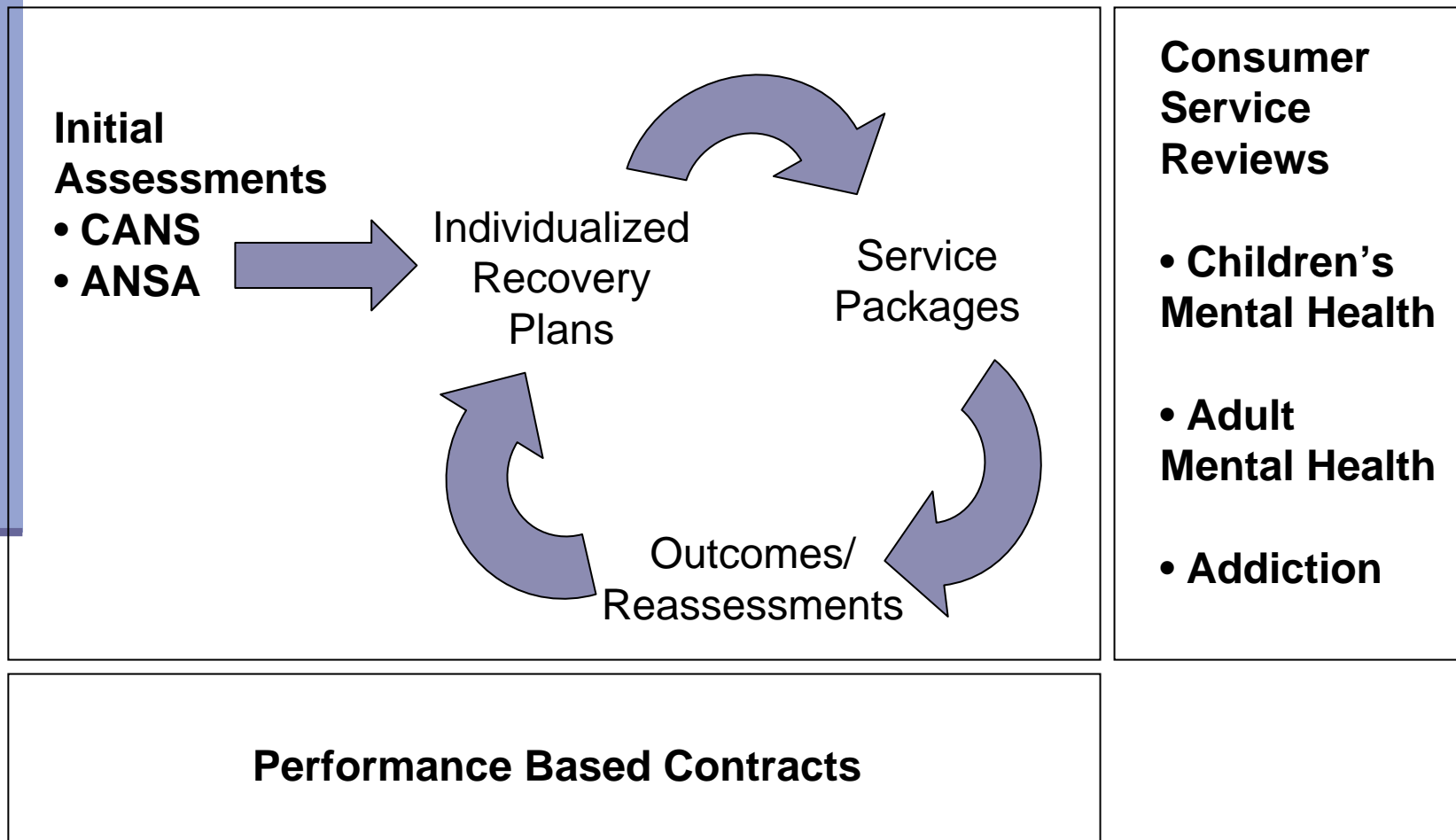
# Transformation

---

## ■ Focus Areas

- Delivery and Financing
- Cross Systems Initiatives
- Consumer and Family Involvement
- Relationship Management
- Results Management

# Transformation Framework



# Transformation

## Delivery and Financing

---

- IGT Rule
- MRO Prior Authorization
  - Reviewing the MRO Program including service definitions and service array
  - Developing recommendations for prior authorization of MRO services
  - Providing feedback regarding restructuring of public funding streams in response to federal changes

# Transformation

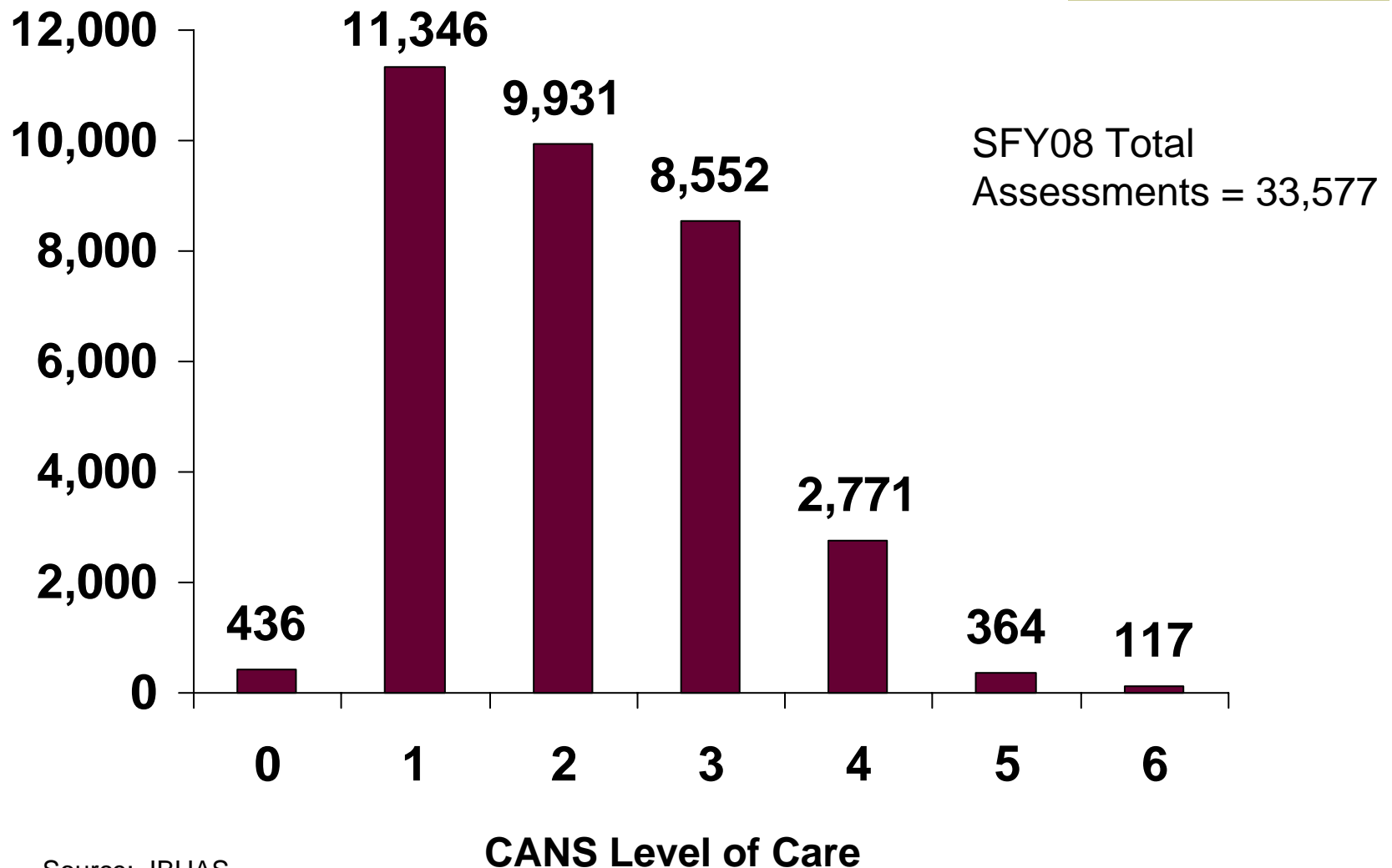
## Cross Systems Initiatives

---

- Assessment Tools and Technology
  - CANS
  - ANSA
  - IBHAS
- Supportive Housing
- Consumer Employment
- Health/Behavioral Health Integration
- Forensics

# Transformation

## CANS Mental Health Assessments



# Transformation

## Consumer and Family Involvement

---

- Position of Bureau Chief for Office of Consumer and Family Involvement elevated to direct report to DMHA Assistant Director
- Contracts with advocates negotiated to include funds to promote Consumer and Family participation in DMHA initiatives
- Anti-stigma Campaign
- Peer Support Services

# Transformation

## Relationship Management

---

- Performance Based Contracting
  - Practice continues in SFY09 to base a portion of each DMHA treatment provider's payment on performance toward meeting Process Measure targets
- Process Measures
  - Timely submission of data
  - Average number of clients served per month
  - Submission of reassessment data

# Transformation Relationship Management

---

- Outcome Measures
  - Homelessness/living situation
  - Employment
  - Decreased involvement in criminal/juvenile justice system
  - Retention in care
  - Reduced use of substances
- Data being collected to establish benchmarks allowing funding to be connected to these measures in the future

# Transformation Results Management

---

- SFY08 Consumer Service Reviews
  - 218 total cases reviewed across 10 CMHCs
  - Technical Assistance provided to participating CMHCs
  - Completed pilot review of Amethyst House, an addiction provider
  - More information available at:  
<http://www.in.gov/fssa/dmha/4733.htm>

# Transformation Results Management

## ■ SFY09 Consumer Service Reviews

### Northwest Region – Week of August 18, 2008

- Adult Survey – Southlake Community Mental Health Center
- Youth Survey – Swanson Center

### Central Region – Week of September 8, 2008

- Adult Survey – Midtown Community Mental Health Center
- Youth Survey – Adult & Child Community Mental Health Center

### East/Southeast Region – Week of September 29, 2008

- Adult Survey – Centerstone (formerly Quinco Consulting Center, Inc.)
- Youth Survey – CMHC – Lawrenceburg

### Northeast Region – Week of December 1, 2008

- Adult Survey – Four County
- Youth Survey – Bowen Center

### Southwest Region – Week of January 12, 2009

- Adult Survey – Hamilton Center
- Youth Survey – LifeSpring

### Addiction Surveys

- Salvation Army – Week of August 18, 2008
- CASI – Week of March 23, 2009
- Second Chance Ministries – Week of April 27, 2009

# SAMHSA Grants

---

- Community Alternatives to Psychiatric Residential Treatment Facilities (CA-PRTF) – *Funded*
- Access to Recovery (ATR) – *Funded*
- Strategic Prevention Framework State Incentive Grant (SPF-SIG) – Funded in 2005
- Reduction of Seclusion and Restraint – *Funded*
- Screening Brief Intervention Referral Treatment (SBIRT) – *Awaiting notification*

# Grants

## CA-PRTF

- Local Community Mental Health Centers are the access sites in the shaded counties



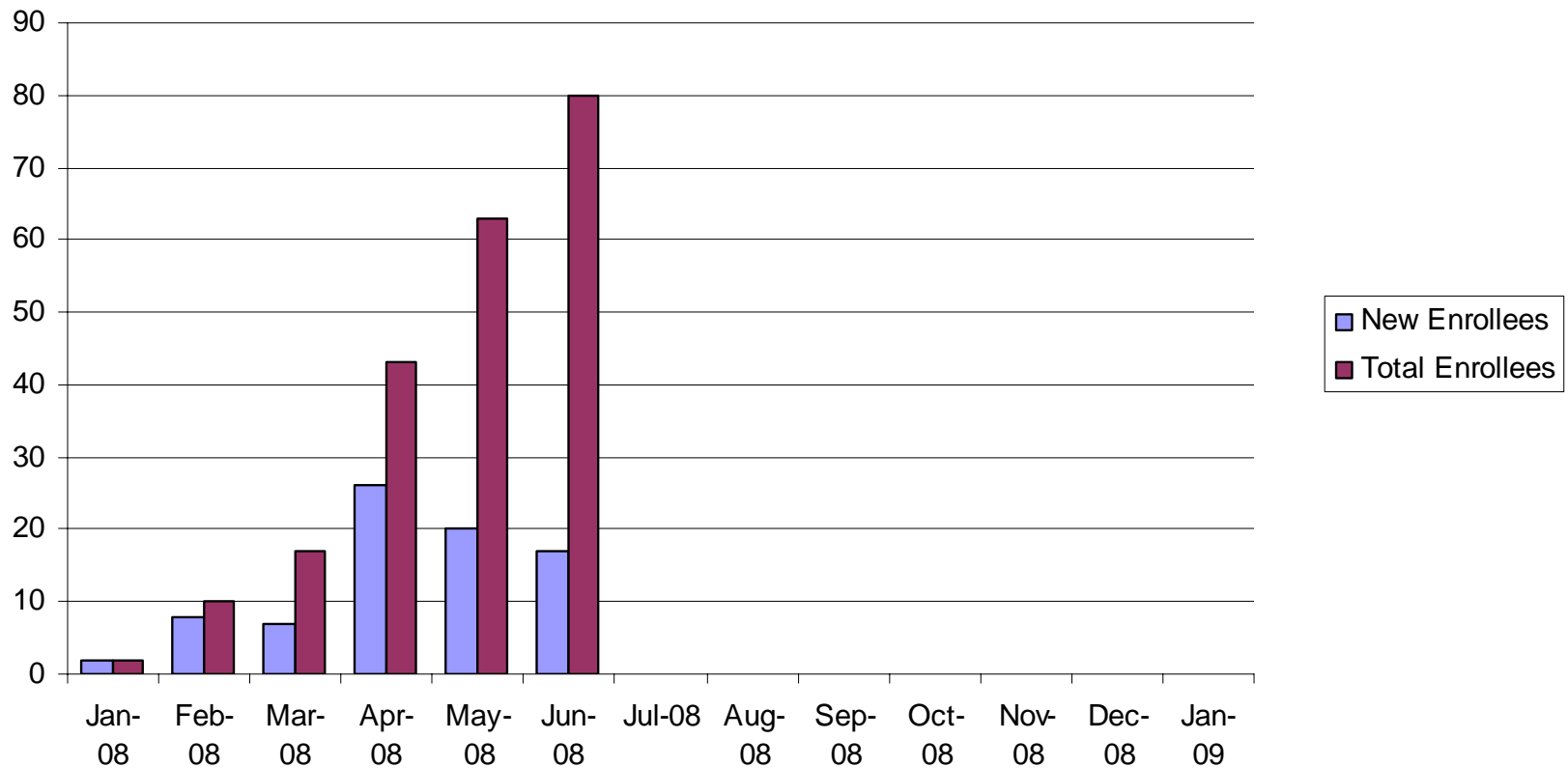
# Grants

## CA-PRTF

---

- Began enrolling youth in January 2008
- As of end of June 2008:
  - 101 youth have been referred: 79% approved/  
21% denied
  - 122 providers enrolled: 65% non-CMHCs/  
35% CMHCs
  - 70 youth diverted from PRTF admission
  - 10 youth transitioned from PRTF

# Grants CA-PRTF

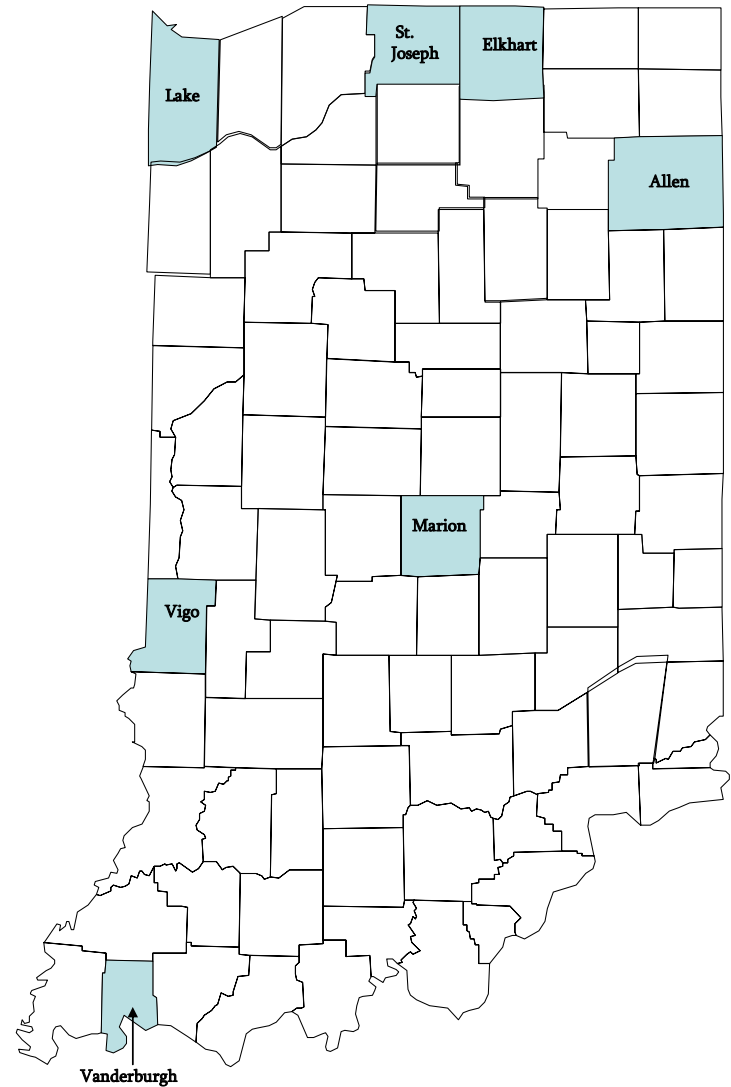


# Grants

## Access to Recovery

---

- Care coordinators in the shaded counties provide access to the grant



# Grants

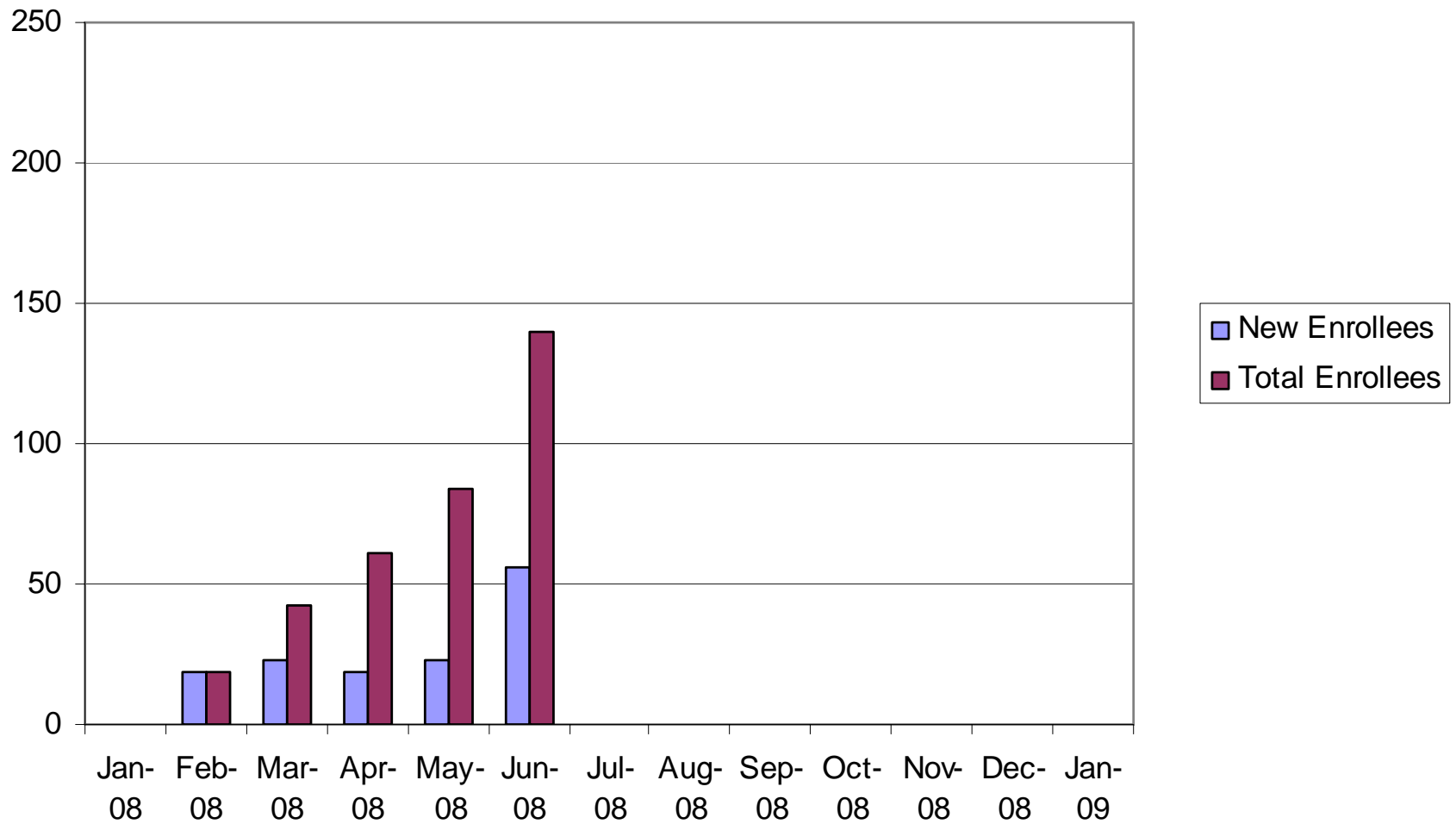
## Access to Recovery

---

- Began enrolling clients in February 2008
- As of end of June 2008:
  - 4 Counties operational
    - Vigo, Vanderburgh, Elkhart, Lake
  - Go-Live Dates for remaining Counties
    - St. Joseph – July 1, 2008
    - Allen – July 15, 2008
    - Marion – August 1, 2008
  - 140 clients are receiving services
  - 49 providers enrolled

# Grants

## Access To Recovery



# Grants

## Strategic Prevention Framework SIG

---

- Indiana's Epidemiological Profile is recognized as a national model both in format and scope by SAMHSA/CSAP
- Twelve Grants to local communities fund the completion of community epidemiological profiles and prevention efforts
- Indiana is the only Grantee to receive approval from SAMHSA to utilize unobligated funds from the first year of funding to make awards to eight additional communities



# Grants

## Reduction of Seclusion and Restraint

---

- EPCC and RSH Adolescent Unit was awarded the grant for the reduction of seclusion and restraint
- Grant funded for the 2007 – 2010 time period for a total amount of \$599,347
- 78 staff from EPCC and RSH trained in psycho educational model of care (Boys Town Model)
- Trauma Informed Care training scheduled for October, 2008

# State Hospital Rebuilds

---

- Central Indiana Hospital build as part of a Neuroscience Center of Excellence
- Rebuild of Evansville Psychiatric Children's Center

# State Hospital SFY09 Goals

---

## ■ Patient Care

- Reduction of Seclusion and Restraints
- Decreased Length of Stay

## ■ Cost Containment efforts

- Increase nurse recruitment and retention and reduce nurse agency costs
- Overtime
- Pharmacy
- Dietary

## ■ Technology

- Quadramed
- Electronic Medical Records